

Local Education Agency Medi-Cal Billing Option Program
Ad Hoc Workgroup Meeting
August 3, Meeting Minutes

Location: Natomas Unified School District (USD)

ATTENDEES:

Name	Organization/Title
1. Geri Baucom	DHCS, Safety Net Financing Division (SNFD)
2. Rick Record	DHCS, Safety Net Financing Division (SNFD)
3. Angelia Johnson	DHCS, Safety Net Financing Division (SNFD)
4. Alan Eng	DHCS, A&I FAB
5. Martin Alvarez	DHCS, A&I FAB
6. Debbie Lee	DHCS, A&I FAB
7. Cori Miglietto	DHCS, A&I FAB
8. Renzo Bernales	CDE, Special Education
9. Steve Perez	CDE, Special Education
10. Michelle Cowart	Contra Costa COE
11. Lisa Chaney	Fresno COE
12. Roni Tunick	Los Angeles COE
13. Margie Bobe	Los Angeles USD
14. Sherry Purcell	Los Angeles USD
15. Caitlin Pendley	Madera USD
16. Laura Baynham	Mendocino COE
17. Tracy Cole	Natomas USD
18. Jeremy Ford	Oakland USD
19. Cathy Bennett	Sacramento City USD
20. Cynthia White-Piper	San Bernardino City USD
21. Marlene Burrue	San Joaquin COE
22. Greg Englar	Sonoma COE
23. Janice Holden	Stanislaus COE
24. Gloria Eng	Navigant Consulting, Inc.
25. Kevin Harris	Navigant Consulting, Inc.
26. Kerry Chang	Navigant Consulting, Inc.

Handouts

Each participant was e-mailed an electronic copy of the Workgroup Meeting Agenda and June 2011 Meeting Minutes. A copy of the Side-by-Side Comparison of Medi-Cal Billing Processes was also passed out to Workgroup members.

Purpose

The meeting was convened by DHCS. The purpose of the Workgroup is to improve the Local Educational Agency (LEA) Program. The emphasis of the meeting is to strategize various goals and activities aimed at enhancing the Medi-Cal services provided on

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school sites and access by students to these services, while increasing federal reimbursement to LEAs for the cost of providing these services.

Review of Meeting Minutes and Announcements

The Workgroup had no changes to the June meeting minutes and were approved as written. The minutes will be posted on the LEA website.

In addition, Robert Powell was recognized during the meeting for his expertise in the speech and audiology field and contributions to the Workgroup. He has retired from his position at the California Speech-Language-Hearing Association.

California Department of Education (CDE) Update – AB 3632 Discussion

- Steve Perez and Renzo Bernales from the CDE Special Education Division presented information regarding AB 3632.
 - AB 3632 required a partnership between school districts and county mental health agencies to deliver mental health services to students with IEPs.
 - In 2011, AB 114 was passed, which repeals the state mandate on special education and county mental health agencies and eliminates references to mental health services in California statutes.
 - As a result of AB 114, school districts are solely responsible for ensuring that students with disabilities receive special education and related services in accordance with IDEA.
- Counties are interested in finding ways to attract more Medi-Cal funding for mental health services that may be leveraged to the schools.
- A transition workgroup has been formed to evaluate the current mental health services. Three breakout groups have been tasked to research:
 - Educational versus medically necessary services
 - Known funding sources included in the Budget Act
 - Other potential funding sources
 - Geri, Rick, Steve and Renzo are involved in this breakout group
- CDE is gathering information and interested in composing a side-by-side comparison of the mental health services provided under the LEA Program and EPSDT Program which highlights: eligibility requirements (beneficiary and LEA provider), services reimbursable under the programs, service limitations, claims and reimbursement, and the claims reconciliation process.
- CDE believes that the LEA Program and EPSDT Program are the only viable options for LEAs to obtain reimbursement for some mental health services.
- SNF will be presenting information regarding the LEA Program on August 17th to the transitional workgroup.

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DHCS SNFD Update

Staffing Updates

- SNFD has re-advertised the job position for Rob's old position and applications are being reviewed.
- Bob Sands is now the Fiscal Forecasting and Data Management Acting Chief.
- Mari Cantwell is currently the SNFD Acting Chief and also serves as the Health Care Financing Deputy Director.

DHCS Fees

- DHCS is planning to automate the 2.5 percent withhold mechanism in the future, but any major system changes in the paid claims system is currently on hold due to the transition from HP to ACS.

HP Issues, EPCs and /or Problem Statements

- RAD Code 9921 Update:
 - An OIL to implement an updated utilization control for IEP/IFSP annual assessments has been developed and is ready for SNFD approval.
 - The Workgroup expressed concerns regarding denied claims hitting the two year claiming limit and the impact of the CRCS.
 - SNFD will request the scope of RAD Code 9921 denials from HP to determine the number of claims impacted.
- CAMMIS Table 215 Update: 92551/92552
 - The scope of claims billed with 92551 and 92552 with inappropriate modifiers is limited to approximately \$100.
 - No additional HP progress has been made to limit payment to procedure codes 92551 and 92552 with appropriate modifiers.
- Two Year Claiming Limit
 - SNFD submitted a policy memo to HP to deny any claims with dates of service beyond two years from the date of service. This will include claims that require reprocessing during an EPC.
- FMAP American Recovery and Reinvestment Act (ARRA)/Rate Rebasing Changes:
 - SNFD posted the new rebased rate tables on the website and the LEA Provider Manual will be updated to reflect the rebased interim reimbursement rates.
 - The estimated implementation of the rate table update was August 1, 2011.
 - SNFD to verify with FI-COD/HP that the rate table was implemented in the paid claims system successfully.

LEA IRUS Updates

- The informational FY 2008/09 IRUS summary report, which contains the claim counts for LEA initial treatment service, was posted on the LEA website in July.

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- The FY 2009/10 IRUS report has yet to be posted on the LEA website. SNFD recently received the HP data and will compare information from the IRUS reports to LEA paid claims data prior to finalizing the IRUS report for the LEA website.
- Effective FY 2011/12, LEAs are required to track their own units, encounters and reimbursement information for LEA paid claims.

LEA Annual Report and Provider Participation Agreement (PPA)

- DHCS met with CDE and Provider Enrollment Division to discuss the PPA and Annual Report process.
- The Annual Report and PPA process has been revamped to eliminate the duplicative information that LEAs are required to complete in the Annual Report and CRCS.
- In prior years, LEAs were only required to complete a PPA when the LEA first enrolled as an LEA provider and subsequently submitted an Annual Report. Effective FY 2011/12, all LEAs will now be required to submit an annual PPA to certify to the requirements of participating in the LEA Program and an LEA provider. The PPA will have the information that is required in the Annual Report.
- The Workgroup discussed the concerns of the PPA not being finalized and posted on the LEA website and the October 30, 2011 deadline. In addition, the Workgroup expressed other language contained in the PPA that SNFD should review prior to finalizing the document.
 - SNFD agreed to postpone the deadline to November 30, 2011.
- SNFD will also inform LEAs via the LEA website, CDE superintendent email list and LEA provider bulletin.
- The new PPA/Annual Report process will be a training topic for the October 2011 LEA training webinar.

SPA 05-010

- SNFD discussed the SPA with CMS and the current effective date of August 2004. CMS wants SNFD to change the effective date so it is within the two year claiming limit.
- SNFD will move ahead with 05-010 SPA submission to CMS and discuss a new effective date that maximizes LEA claiming.

SACS Code 5640

- Effective FY 2009/10, for CRCS reporting purposes, expenditures classified under Resource Code 5640 (Medi-Cal Billing Option Program) are not considered to be restricted federal funds and may be included on the CRCS.
- SNFD is drafting a Policy and Procedure Letter (PPL) that will be sent to LEAs. The PPL will be the official policy notice/instructions to the LEAs.

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LEA In-Box

- SNFD is monitoring the lea@dhcs.ca.gov email box for LEA policy questions.

LEA Program Website

- SNFD has gone through Microsoft Office SharePoint Service training and can post relevant information on the LEA website.
- New items posted on the website include: the April Workgroup meeting minutes, LEA A&I website link, and LEA TCM Labor Survey.
- SNFD has yet to learn the process to send out notices via the website email subscription.

CMS 6028 – CA Position

- The Workgroup discussed the potential requirements for rendering practitioners to all have NPI numbers and the negative impact on LEAs.
- In the school setting, the LEA is the provider and the rendering practitioners work under the LEA NPI.
- LEANet is tracking this issue nationally.

DHCS Audits and Investigations (A&I) Financial Audits Branch (FAB)

Staffing and Program Update

- Martin Alvarez will be leading the A&I LEA Program. Alan Eng has been reassigned to a different program within A&I. A total of 14 positions will ultimately be staffed and three new auditors will be starting on Monday.

Update on SDN 11006 – A&I One Percent Withhold

- Due to the transition from HP to ACS, DHCS has determined a workaround to collect the mandatory A&I one percent withhold. DHCS plans to combine the A&I one percent withhold with the current one percent administrative withhold applied, therefore collecting two percent from LEAs.
 - The RAD Code will still say one percent, but two percent will actually be withheld from LEA paid claims.
- Internally, DHCS will track the A&I withhold amount so it reaches a maximum of \$650,000.
- The estimated implementation of the A&I one percent withhold is the beginning of September.

Other A&I Updates

- A&I is finalizing the FAQs from the LEA industry training and intends to post them on the A&I CRCS webpage.
- Sacramento City USD's audit has been finalized, and the cost settlement has been issued.
- The Workgroup discussed having the A&I CRCS audit and reconciliation process a training topic during the October 2011 training webinar.

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Workgroup Subcommittee Reports

Communications Subcommittee

- The Subcommittee indicated that there has been a lot of superintendent turnover and there are approximately 1,100 superintendents listed on the CDE email distribution list.

Training Subcommittee

- SNFD and A&I are planning an October 2011 training webinar.
- The training will be up to half a day and the Workgroup suggested it be conducted in early October.
- SNFD and Navigant have created a SurveyMonkey survey to help gauge LEA interest in training topics.
 - The survey was emailed to the LEA contact list from SNFD.
- The Workgroup expressed that there should be training on the overall relationship between the CRCS, PPA and Annual Report.
- The Subcommittee is open to reviewing the presentation.

Services Subcommittee

- The Subcommittee had a conference call with Navigant and SNFD to review the details of the new services matrix, which summarized the results of their selected state interviews.
- The Subcommittee would like a chart of the services and the barriers to implementation. The Workgroup would use the information to prioritize potential new services.
- Cathy had a conference call with Michigan and discussed their specialized assessments and multidisciplinary team assessments and school-based program.
- The Workgroup also discussed the transportation legislation and removing the language that limits reimbursement to students that are wheelchair bound.
 - The Subcommittee requested the transportation regulations from SNFD and Navigant.

Next Meeting

Wednesday, October 5, 2011 10:30am – 3:00pm at Natomas USD